

**SECRET**

State Department review completed

6 November 1950

MEMORANDUM FOR: CHIEF, STAFF I

SUBJECT: NPSB Meeting of 6 November 1950

1. Item 2 on the agenda for the NPSB Meeting of 6 November includes a discussion of the implementation of NSC 68 as it affects psychological warfare. I have examined Annex #5 which has been prepared by the P Area of the Department of State in implementation of NSC 68. I find nothing in this Annex to which we should object. However, page 13 of this Annex urges the use of indigenous personnel and indigenous institutions as a medium for overt propaganda. Some clarification of this point might be necessary, particularly in light of the fact that the Department of State, despite constant prodding, has not as yet replied to our memorandum in this connection. I was informed, however, by Mr. MacKnight that the final draft of the reply would be in Mr. Barrett's hands by this afternoon.

2. For your information, I am also attaching a copy of a memorandum given to me by Mr. MacKnight outlining his conception of the part which he feels we should play in compliance with the expanded operations planned by the Department of State in this field. As you know, Mr. MacKnight originally requested our over-all psychological warfare budget for the next five years. When, after due consideration it was decided that it would not be feasible to comply with this request, it was decided that a general statement should be forwarded stressing the fact that we too must plan for expansion on the same curve by which the Department of State was expanding in the psychological warfare area. Mr. MacKnight stressed the necessity for such expansion very strongly since he felt that there would be no funds available for any type of covert operations included in the Department of State budget and that it would be most unfeasible if our organization was not in a position to carry on expanded operations in the covert field at the same time that activities were expanding in the overt field.

I/PT/CMC/lvj

cc: OPC Registry (2)

I/PS files (1)

I/PT files (2)

25X1A5/

Approved For Release 2003/10/22 : CIA-RDP80-01065A000500130061-2

Memo mentioned in body of memo

**SECRET**